QUARTERLY STATEMENT

OF THE

UAHC HEALTH PLAN OF TENNESSEE INC					
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		· .			
# 1986			· · · · · · · · · · · · · · · · · · ·		
of		MEMPHIS			
in the state of		TENNESSEE			

TO THE

Insurance Department

OF THE

STATE OF TENNESSEE

FOR THE QUARTER ENDED June 30, 2007

HEALTH

2007



HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2007

OF THE CONDITION AND AFFAIRS OF THE

UAHC Health Place of Tennessee

NAIC Group Code 0000		pany Code 00000	Employer's ID No	ımber <u>62-1547197</u>
(Current Period) Organized under the Laws of	(Prior Period) TN	. State of Domicile	e or Port of Entrv ⊤	· N
Country of Domicile US				,
Licensed as business type:	ife, Accident & Health [] Dental Service Corporation [] Other []	Property/Casualty [] Hospital, Medical of Health Maintenance	& Dental Service or Indemnity [ce Organization [NO []
Incorporated/Organized: Od		· ·		
Statutory Home Office: 1769				
Main Administrative Office:1				
Mail Address: 1769 Paragon Suit				
Primary Location of Books and I				
Internet Website Address:N/A				
Statutory Statement Contact:s	Stephen Harris		000-00	00-0000
				18-2212
Policyowner Relations Contact:	1769 Paragon Suite 100	Memphis, TN 38132	000-000-0000	
	OF	FICERS		
	Name	1	Title	\$·
1. Stephani	e Dowell	Chief Exective Office	per	_
2. Stephen	Harris	Chief Financial Office	cer	_ _
3.	***************************************		-	MANAN .
Nome	Vice Title	e-Presidents Nam		Title
Name Myla Johnson	Vice-President Medical Services			President MIS
Edward Reed M.D.	Senior Vice-President & Medical I			TOOMSTETTIO
			<u> </u>	
LULIVAVIA JANJANIVA TTT				
	PR 5 PR 100 AL 1		-	
Stephanie Dowell	Stephen Harris	RS OR TRUSTEES Tom Goss	Sam	uel King
Grover Barnes M.D.	Julius V. Combs, M.D.	Griselle Figueredo, M.D		Robinson
Logan Miller M.D.	Neal Beckford M.D.	Stan Sawyer	Willia	ım Brooks
Ricky Wilkins				
The recognition	-			ANALY.
			marin management and	
State of Tennessee County of Shelby ss				
The officers of this reporting entity being du above, all of the herein described assets w that this statement, together with related evilabilities and of the condition and affairs of and have been completed in accordance w law may differ; or, (2) that state rules or reginformation, knowledge and belief, respectivith the NAIC, when required, that is an ex requested by various regulators in lieu of or	ere the absolute property of the said recibits, schedules and explanations the said reporting entity as of the reporting the NAIC Annual Statement Instructulations require differences in reportively. Furthermore, the scope of this a act copy (except for formatting differences)	reporting entity, free and clear from nerein contained, annexed or referre orting period stated above, and of it actions and Accounting Practices an up not related to accounting practics attestation by the described officers a ences due to electronic filling of the e	any liens or claims thereon ad to, is a full and true state is income and deductions the id Procedures manual exce es and procedures, accordi- also includes the related co	except as herein stated, and ment of all the assets and erefrom for the period ended, pt to the extent that: (1) state ng to the best of their rresponding electronic filling
(Signature)		(Signature)		(Signature)
Stephanie Dowell		Stephen Harris		(Printed Name)
(Printed Name) 1.		(Printed Name) 2.		3.
Chief Exective Officer (Title)	: Ch	ief Financial Officer (Title)		(Title)
Subscribed and sworn to before me this		MULLYND	s this an original filing?	YES[]NO[X]
12TH day of <u>SEPTEMBER</u>	, 2007	BTATE	tno: 1. State the ame	. , . ,
Jacquelyn V. a	iloton	TITLE OF TENNESSEE NOTARY PUBLIC	2. Date filed 3. Number of page	09/12/2007 ges attached 40
New Commission 5 May 31, 2010	pires	THE BY COUNTY	•	
Acres A. C.		4		

Reden & Anders

an INGENIX, company

2170 Satellie Boulevard, Suite 150 | Dukith, Georgia 30097 | Ph. (678) 417-4900 | Fax: (678) 417-4950 | www.reden-anders.com

July 19, 2007

Mr. Stephen Harris Chief Financial Officer UAHC Health Plan of Tennessee 1991 Corporate Avenue, Fourth Floor Memphis, Tennessee 38132

RE: FUND TARGET MONITORING REPORT

ATTACHMENT XII, EXHIBIT J FOR JUNE 2007

Dear Stephen:

SCOPE AND RELIANCE

UAHC Health Plan of Tennessee ("UAHC") has requested that Reden & Anders ("R&A") estimate the unpaid claim liability ("UCL") by incurred month for the months from July 2002 through June 2007 for the TennCare members assigned to UAHC. The estimates provided will be used by UAHC to complete the TennCare Fund Target Monitoring Report, Attachment XII, and Exhibit J for June 2007.

The scope of our review did not include the review of the assets held by UAHC or any other actuarial liabilities beyond those for the UCL, such as unearned premium reserves.

R&A's review places strict reliance on the data supplied by UAHC. This data included, but was not necessarily limited to, paid and incurred claims, exposure counts, and historical background information. No independent verification of the data provided was performed beyond basic tests of reasonableness.

Our review includes projection of future events. As such, deviations between actual results and the estimates provided should be expected.

The analysis and conclusions developed in this letter have been prepared for the internal use of UAHC management and TennCare. Distribution to any other party, in whole or in part, without the prior written consent of R&A, is prohibited.

Mr. Stephen Harris July 19, 2007 Page 2

BACKGROUND

UAHC is a Health Maintenance Organization ("HMO") that provides medical, dental, pharmacy and vision benefits to individuals enrolled in the TennCare Medicaid Program. Until June 30, 2002, UAHC was at risk for the medical, dental and pharmacy benefits received by their Medicaid members.

As of July 1, 2002, UAHC began to provide administrative services only ("ASO") for the members assigned to them by TennCare, who has assumed the risk. As part of their ASO agreement, UAHC is required to provide TennCare with an estimate of the UCL by month for claims incurred since July 2002. The UCL estimates for each month of incurral since July 2002 are required for Exhibit J. R&A was retained by UAHC to develop these UCL estimates.

Dental claims incurred after September 30, 2002 are no longer covered under the UAHC ASO agreement. Consequently, no dental UCL is required for incurred months after September 2002.

Pharmacy claims incurred after June 30, 2003 are no longer covered under the UAHC ASO agreement. Consequently, no pharmacy UCL is required after June 2003.

UNPAID CLAIM LIABILITY

Monthly UCL estimates are shown for medical claims incurred from July 2002 through June 2007 for the TennCare members assigned to UAHC. Since these estimates are made with information only on the claim payments through June 2007, these estimates may vary from the actual claim run-out. The variance of actual from expected may be material. The estimates provided should be regarded as best estimates with a margin for adverse deviation.

The UCL consists of medical claims. We used historical incurred versus paid claims and membership information for physician and facility claims. Using the R&A Incurred Claim Builder (ICB) software and the available data, traditional claims lag studies were performed for physician charges and facility charges separately. The completion factors developed from these lag studies were used to estimate the monthly-incurred claims for the months from July 2002 through June 2007. Since the experience is still immature for May and June, a secondary method was considered to estimate incurred claims for these months.

The secondary method used an estimated PMPM based on historical patterns. The monthly-incurred claims estimates are the weighted average incurred-claim-pmpm's times the reported exposure.

The medical UCL by incurred month is calculated as the incurred claims less the claims incurred and paid through June 2007, rounded to the nearest \$1,000. All amounts prior to November 2005 are estimated to be paid in full.

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BAH:L07182007-TennCare-Ltr Jun2007

The results are:

UCL Without Margin for Physician and Facility Claims through June 2007							
Month	Physician UCL	Facility UCL					
Jul-02 - Nov-05	\$0	\$0					
December-05	1,000	0					
January-06	1,000	0					

2,000

4,000

5,000

7,000

10,000

14,000

22,000

28,000

40,000

49,000

62,000

92,000

153,000

364,000

737,000

1,949,000

5,316,000

0

1,000

3,000

7,000

11,000

19,000

31,000

47,000

78,000

106,000

159,000

279,000

370,000

742,000

1,419,000

3,492,000

10,357,000

February-06

March-06

April-06

May-06

June-06

July-06

August-06

October-06

September-06

November-06

December-06

January-07

February-07

March-07

April-07

May-07

June-07

The amount of margin to be added to the above estimates depends upon the purpose or use of the estimate. For statutory reserving purposes, a 10 to 15 percent load would be appropriate. For GAAP purposes, this level of conservatism would be excessive because it could distort the most likely scenario significantly. GAAP estimates, however, should have some provision for adverse deviation. We used an 8% margin for the medical UCL's, which was applied as a result of a relatively larger number of negative claims than usual for payments in November 2005 - January 2006, as well as a membership reduction. The negative claims continued, to a lesser degree, into 2006 and 2007, so we have maintained the 8% margin in this review. The drop in paid claims leaves a greater uncertainty on the PMPM for future months, and therefore, a margin increase is reasonable and appropriate. Further monitoring of monthly paid claims will be performed in order to determine more accurate payment patterns, and ultimately, the UCL.

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BAH:L07182007-TennCare-Ltr Jun2007

The UCL estimates with margin for July 2002 through June 2007 are shown in the following table:

UCL with Margin for Medical Claims for July 2002 through June 2007					
	Physician UCL	Facility UCL	Reported UCL		
Jul-02 - Nov-05	0	0	0		
December-05	1,000	0	1,000		
January-06	1,000	0	1,000		
February-06	2,000	0	2,000		
March-06	4,000	1,000	5,000		
April-06	5,000	3,000	8,000		
May-06	8,000	8,000	16,000		
June-06	11,000	12,000	23,000		
July-06	15,000	21,000	36,000		
August-06	24,000	33,000	57,000		
September-06	30,000	51,000	81,000		
October-06	43,000	84,000	127,000		
November-06	53,000	114,000	167,000		
December-06	67,000	172,000	239,000		
January-07	99,000	301,000	400,000		
February-07	165,000	400,000	565,000		
March-07	393,000	801,000	1,194,000		
April-07	796,000	1,533,000	2,329,000		
May-07	2,105,000	3,771,000	5,876,000		
June-07	5,741,000	11,186,000	16,927,000		

I am a consulting actuary for Reden & Anders, am a member of the American Academy of Actuaries ("AAA"), and meet the Qualifications and Standards of the AAA to render the actuarial opinions contained herein.

Sincerely,

James E. Drennan, FSA, MAAA

Principal

JED:bah

BAH:L07182007-TennCare-Ltr Jun2007

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ASSETS

	•	Cu	rrent Statement Da	te		
		1	2	3	· 4	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets	
1. Bonds		9,486,433		9,486,433	7,445,15	
2. Stocks:	*····					
04 70 4 14 4	,					
0.0 C	• • • • • • • • • • • • • • • • • • • •			*******		
Mortgage loans on real estate:	***************************************	-				
3.1 First liens						
3.2 Other than first liens						
4. Real estate:				• • • • • • • • • • • • • • • • • • • •		
4.1 Properties occupied by the company (less \$	() encumbrances)			·	•	
4.2 Properties held for the production of income	(less \$ 0 encumbrances)					
4.3 Properties held for sale (less \$	(encumbrances)		. , , , , , , , , , , , , , , , , , , ,			
5. Cash (\$ 4,567,319), cash equivalents (\$	0)					
and short-term investments (\$ 0)	,	4 567 319		4,567,319		
6. Contract loans (including \$ 0 prem	nium notee)			4,001,010		
~ ^0		F00 000		500,000	3,025,33	
		1		500,000	0,020,00	
A a manufacturate to the state of		0.000.000	2,300,000	********		
 Subtotals, cash and invested assets (Lines 1 to 9) 	· · · · · · · · · · · · · · · · · · ·		2,300,000	14,553,752	12,293,4	
11. Title plants less \$ 0 charged off (fo	or Title insurers only)	10,000,102		(4,000,102		
11. Title plants less \$ 0 charged off (for large transmitted and accrued	or the madreta only	105 3/1		495,344	358,42	
13. Premiums and considerations:					000,11	
13.1 Uncollected premiums and agents' balance:	s in the course of collection	1,093,638		1,093,638	1,156,19	
13.2 Deferred premiums, agents' balances and in		, , , , , , , , , , , , , , , , , , , ,		1,000,000	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	earned but unbilled premiums)					
13.3 Accused retrographics promiums	samed but unitilied premiumo)					
13.3 Accrued retrospective premiums 14. Reinsurance:				***************		
44.6.4						
14.2 Funds held by or deposited with reinsured of	nompanioe					
14.3 Other amounts receivable under reinsuress	co contracto			*** \		
14.3 Other amounts receivable under reinsurance15. Amounts receivable relating to uninsured plans	e contracts					
	In and interest thereon					
16.2 Net deferred tax asset	le and interest thereon	916 102		916 101		
47 Company Construction Control of the Control of t		1				
Electronic data processing equipment and softwar	· · · · · · · · · · · · · · · · · · ·	1				
 Furniture and equipment, including health care de 						
 Net adjustment in assets and liabilities due to fore 						
21. Receivables from parent, subsidiaries and affiliate						
	ts receivable	690,016	681,206	8,810		
23. Aggregate write-ins for other than invested assets		81,520	81,520	0,010		
24. Total assets excluding Separate Accounts, Segret		01,020	01,320		0	
Accounts (Lines 10 to 23)	Anica vicconsus asia t toleplan cas	20,030,372	3,062,726	16,967,646	13,808,09	
25. From Separate Accounts, Segregated Accounts a	and Protected Call Accounts		3,002,120	10,501,040	10,000,0	
26. Total (Lines 24 and 25)	and i referred deli Mendialis	20,020,270	3 060 706	46 007 040	43 000 0	
to. Total (Lines 24 and 20)		20,030,372	3,062,726	16,967,646	13,808,09	
DETAILS OF WRITI	E-INS					
	V/1000000000000000000000000000000000000			***************************************		

DETAILS OF WRITE-INS				
0901. ESCROW PER STATE OF TN (RESERVE)	2,300,000	2,300,000	-	
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page		,		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	2,300,000	2,300,000		
2301. PREPAID EXPENSES	81,520	81,520		·
2302.			,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
2303.			******************	
2398. Summary of remaining write-ins for Line 23 from overflow page			**************	
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	81.520	81.520		

2801.

2802.

2898. Summary of remaining write-ins for Line 28 from overflow page 2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)

LIABILITIES, CAPITAL AND SURPLUS

		Current Period		Prior Year	
	1 Covered	2 Uncovered	3 Total	, 4 Total	
Claims unpaid (less \$ 25,000 reinsurance ceded)	464,567		464,567		
Accrued medical incentive pool and bonus amounts					
3 Unnaid claims adjustment expenses	1 1				
A Aggregate health notice records					
5. Aggregate life policy records					
6 Property/casualty unearned premium reserve					
7 Angregate health claim receives					
8 Promiums received in advance	278 801		278,801		
9 General expenses due or accrued	388 585		388,585	204,30	
10.1 Current federal and foreign income tax payable and interest thereon (including			500,000		
	891,375		891,375	369,65	
\$ 0 on realized gains (losses)) 10.2 Net deferred tax liability	1 1			.,	
* *************************************					
11. Ceded reinsurance premiums payable12. Amounts withheld or retained for the account of others		-			
Amounts withheld of retained for the account of others Remittances and items not allocated					
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)					
15. Amounts due to parent, subsidiaries and affiliates	510,086		510,086	58,47	
16. Payable for securities					
17. Funds held under reinsurance treaties (with \$ 0 authorized				•	
reinsurers and \$ 0 unauthorized reinsurers)					
18. Reinsurance in unauthorized companies					
19. Net adjustments in assets and liabilities due to foreign exchange rates		.,			
20. Liability for amounts held under uninsured plans	1				
21. Aggregate write-ins for other liabilities (including \$ 455,193 current)			2,939,728	1,476,44	
22. Total liabilities (Lines 1 to 21)	5,473,142	. ,	5,473,142	2,108,87	
23. Aggregate write-ins for special surplus funds	XXX	XXX			
24. Common capital stock		XXX	200,000	200,00	
25. Preferred capital stock	XXX	XXX	12,550,000	12,550,00	
26. Gross paid in and contributed surplus	XXX	XXX			
27. Surplus notes	XXX	XXX			
28. Aggregate write-ins for other than special surplus funds	XXX	XXX			
29. Unassigned funds (surplus)	XXX	XXX	(1,255,496)	(1,050,784	
30. Less treasury stock, at cost:					
30.1 0 shares common (value included in Line 24 \$ 0)	XXX	XXX			
30.2 0 shares preferred (value included in Line 25 \$ 0)	XXX	XXX			
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	11,494,504	11,699,21	
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	16,967,646	13,808,094	
		····			
DETAILS OF WRITE-INS					
2101. PREMIUM TAX PAYABLE	1,093,638		1,093,638	1,156,198	
2102. AMENDMENT 3 - OTHER	1,846,090		1,846,090	320,24	
2103. 2198. Summary of remaining write-ins for Line 21 from overflow page					
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	2,939,728		2,939,728	1,476,44	
2301.	XXX	xxx			
2302.	XXX	XXX			
2303.	XXX	XXX			
2398. Summary of remaining write-ins for Line 23 from overflow page 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX		4	
2000. Totalo Lumes 200 1 minuty il 2000 pius 2000) [Linie 20 dibuye]	XXX	XXX		•	

XXX

STATEMENT OF REVENUE AND EXPENSES

	Current Ye	ar:To Date	Prior Year To Date
	. 1	2	3
		T-4-1	Total
d blanch and have	Uncovered	Total	Total
1. Member Months	. XXX	643,580	1 30,009
Net premium income (including \$ 0 non-health premium income)	XXX	921,158	
Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of \$ 0 medical expenses)	XXX		
5. Risk revenue	XXX	,	
6. Aggregate write-ins for other health care related revenues	XXX	501,789	360,956
7. Aggregate write-ins for other non-health revenues			
8. Total revenues (Lines 2 to 7)	V V V	1,422,947	360,956
Hospital and Medical:		-	
9. Hospital/medical benefits		509,807	(82,622
10. Other professional services		158,343	
11. Outside referrals		***************************************	
12. Emergency room and out-of-area		000 000	
13. Prescription drugs		208,357	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments and bonus amounts		876,507	(82,622
16. Subtotal (Lines 9 to 15)		8/0,50/	{02,022
Less:			7
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		876,507	(82,622
19. Non-health claims (net)		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
20. Claims adjustment expenses, including \$ 61,015 cost containment expenses		167,016	
21. General administrative expenses		(956,773)	(3,344,180
22. Increase in reserves for life and accident and health contracts (including	·		
\$ 0 increase in reserves for life only)		20.750	/220 05
23. Total underwriting deductions (Lines 18 through 22)	1	86,750	(339,057 700,01
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	1,336,197 356,497	383,83
25. Net investment income earned 26. Net realized capital gains (losses) less capital gains tax of \$ 0		300,497	
27. Net investment gains (losses) (Lines 25 plus 26)		356,497	383,83
28. Net gain or (loss) from agents' or premium balances charged off [(amount			
recovered © 0. \ (amount sharped off © 0.)]			
29. Aggregate write-ins for other income or expenses		(1,525,841)	
30. Net income or (loss) after capital gains tax and before all other federal	,		
income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	166,853	1,083,84
31. Federal and foreign income taxes incurred	XXX	521,724	447,60
32. Net income (loss) (Lines 30 minus 31)	XXX	(354,871	636,24
	0.004		
DETAILS OF WRITE-INS			
0601. TENNCARE RISK TARGET REVENUE	XXX	501,789	360,95
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	501,789	360,95
		301,703	000,000
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	<u> </u>	
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
		·	
2901. CLAIMS AUDIT RESERVE		(1,070,648)	
2902. AMENDMENT 3 - OTHER 2903.		(455,193	
2009 Cummon of remaining welts in a feet line 20 from question and			
2998. Summary of remaining write-ins for Line 29 from overflow page 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		(1,525,841)	
Laces Totals (Lines 200 Timough 2000 pius 2000) (Lines 23 BBOVE)	<u>t</u>	(1,020,041)	1

STATEMENT OF REVENUE AND EXPENSES (Continued)

1	2	3
Current Year To Date	Prior Year To Date	Prior Year
11,699,216	10,771,593	10,771,590
(054.074)	636,247	4,204,636
1 1		,
	1	48,599
	. 1	
l i		(406,313
1	+	

		(2,919,299
	į.	
1		927,62
		11,699,21
	To Date 11,699,216 (354,871) 0 29,647 120,512	Current Year To Date 11,699,216 10,771,593 (354,871) 636,247 0 29,647 (56,974) 120,512 (110,210)

Report #2A TENNCARE OPERATIONS STATEMENT OF REVENUE AND EXPENSES

Statement as of June 30, 2007 of UAHC Health Plan of TN, Inc.

		Current Year to	Prior Calendar
WENDED WONTEN	Current Period	Date	Year
MEMBER MONTHS	324,522	642,260	1,418,559
REVENUES:	E2 467 572	104,612,309	211,283,040
TennCare Capitation	52,167,573		
2. Investment	229,958	406,809	638,027
Other Revenue (Provide detail)	33,446,327	38,433,917	49,095,008
4. TOTAL REVENUES (Lines 1 to 3)	85,843,858	143,453,034	261,016,075
EXPENSES:		·	•
Medical and Hospital Services	•		
5. Capitated Physician Services	1,423,601	2,862,354	6,161,715
6. Fee-for-Service Physician Services	5,352,626	10,786,347	20,367,814
7. Inpatient Hospital Services	13,287,993	25,244,763	53,067,885
8. Outpatient Services	16,896,981	35,009,118	69,911,107
Emergency Room Services	5,175,842	10,885,140	20,482,689
10. Mental Health Services	-	-	-
11. Dental Services	-	-	193
12. Vision Services	397,941	771,354	1,717,426
13. Pharmacy Services	-	-	Ap.
14. Home Health Services	450,200	901,294	1,714,794
15. Chiropractic Services	-	-	-
16. Radiology Services	1,080,355	2,105,988	4,611,431
17. Laboratory Services	502,138	1,423,310	603,646
18. Durable Medical Equipment Services	567,351	1,170,591	2,153,898
19. Transportation Services	1,638,048	3,268,681	7,177,599
20. Outside Referrals	-	-	_
21. Medical Incentive Pool and Withhold Adjustments	-	-	-
22. Occupancy, Depreciation, and Amortization	<u>-</u>	-	-
23. Other Medical and Hospital Services (Provide detail)	33,558,621	38,716,410	52,229,218
24. Subtotal (Lines 5 to 23)	80,331,698	133,145,350	240,199,415
25. Reinsurance Expenses Net of Recoveries	-	•	
LESS:		-	*
26. Copayments	-	-	<u>-</u>
27. Subrogation	(4,284)	(59,879)	(29,037)
28. Coordination of Benefits	(229,747)	(422,122)	(819,643)
29. Subtotal (Lines 26 to 28)	(234,031)	(482,001)	(848,680)
30. TOTAL MEDICAL AND HOSPITAL (Lines 24 and 25 less 29)	80,097,667	132,663,349	239,350,735
Administration:			
31. Compensation	1,363,773	2,635,216	5,098,065
32. Marketing	33,485	94,606	208,735
33. Interest Expense	-	-	-
34. Premium Tax Expense	1,142,189	2,292,992	4,582,658
35. Occupancy, Depreciation and Amortization	145,969	290,363	564,523
36. Other Administration (Provide detail)	3,031,715	5,092,102	9,920,462
37. TOTAL ADMINISTRATION (Lines 31 thru 36)	5,717,131	10,405,280	20,374,443
38. TOTAL EXPENSES (Lines 30 and 37)	85,814,798	143,068,629	259,725,178
39. NET INCOME (LOSS) (Line 4 less 38)	29,060	384,405	1,290,897

Report 2A (cont'd) TENNCARE OPERATIONS STATEMENT OF REVENUE AND EXPENSES

Statement as of June 30, 2007 of UAHC Health Plan of TN Inc.

Pharmacy Rebates	Line 3 - Other Revenue	Current Period	Current Year to Date	Prior Year
Administrative Fee Revenue from State Revenue from State Revenue from State Revenue from State for Premium Tax 3,748,348 7,585,135 16,105,394 Revenue from State for Premium Tax 1,142,189 2,292,992 4,582,658 Shared Risk Revenue 501,790 501,790 360,956 IBNR 28,054,000 28,044,000 Total \$33,446,327 \$38,433,917 49,095,008.00 Line 23 - Other Medical and Hospital Services Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other Other Premium Tax 28,054,000 28,054,000 28,054,000 IBNR 28,054,000 28,054,000 28,054,000 Total \$33,556,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 26,2				
Revenue from State for Premium Tax 1,142,189 2,292,992 4,582,658 Miscellaneous Revenue 501,790 501,790 360,956 1BNR 28,054,000 28,054,000 28,046,000 7 total \$33,446,327 \$38,433,917 49,095,008.00 38,046,000				
Miscellaneous Revenue 501,790 501,790 360,956 18NR 28,054,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,046,000 28,054,				
Shared Risk Revenue S01,790 S01,790 360,956 RIBNR 28,054,000 28,054,000 28,054,000 28,054,000 28,054,000 28,054,000 28,054,000 28,054,000 28,055,008,000 28,055,008,000 28,054,000		1,142,189	2,292,992	4,582,658
BBR		504 700	F04 700	200.050
Total \$33,446,327	·			•
Cine 23 - Other Medical and Hospital Services	· · · · · · · · · · · · · · · · · · ·			
Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other - - - (\$74,916) Physical Therapy 28,054,000 28,054,000 28,054,000 Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,13,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149)	Total	\$33,440,321	ৢ ৩৩,4৩৩,৪ <i>।।</i>	49,095,006.00
Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other - - - (\$74,916) Physical Therapy 28,054,000 28,054,000 28,054,000 Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,13,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149)				
Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other - - - (\$74,916) Physical Therapy 28,054,000 28,054,000 28,054,000 Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,13,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149)			0	
Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other - - - (\$74,816) Physical Therapy 28,054,000 28,054,000 28,054,000 Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Taxe - 195,577 8				
Other Referral/Specialist Services \$5,504,621 \$10,662,410 \$24,258,134 Other - - - (\$74,916) Physical Therapy 28,054,000 28,054,000 28,046,000 Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149)			-	
Other Physical Therapy IBNR - - - (\$74,816) Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes 1658,149) (658,149) - 46,208 Provision for Income Taxes of Mgmt company - 46,208 - - 46,208	Line 23 - Other Medical and Hospital Services			
Other Physical Therapy IBNR - - (\$74,816) Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes (658,149) (658,149) - 46,208 Provision for Income Taxes of Mgmt company - 46,208	Other Referral/Specialist Services	\$5 504 621	\$10 662 410	\$24 258 134
Physical Therapy 1BNR		Ψ0,004,021	Ψ (0,002,110	
Total \$33,558,621 \$38,716,410 \$52,229,218		_		(4, ,,,,,,,,
Total \$33,558,621 \$38,716,410 \$52,229,218 Line 36 - Other Administration Accounting Services Legal Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - - 46,208		28 054 000	28 054 000	28 046 000
Line 36 - Other Administration Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - - 46,208	IDINIX	*20,004,000	20,001,000	20,010,000
Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - - 46,208	Total	\$33,558,621	\$38,716,410	\$52,229,218
Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - - 46,208				
Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - - 46,208				ş
Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208				
Accounting Services \$32,490 \$58,118 170,441 Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208				
Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208	Line 36 - Other Administration			
Legal Services \$264 \$2,991 213 Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208	Associating Convisor	\$32.400	\$58 118	170 441
Professional Services 1,195,768 2,434,983 5,971,449 Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) 46,208				
Board of Directors' Meetings 16,303 30,085 73,058 Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208	•			
Bank Charges 8,566 14,459 2,642 Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208	· · · · · · · · · · · · · · · · · · ·		• •	
Administrative Expenses 756,357 1,143,210 2,296,551 Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208				
Consumables 99,593 240,321 310,030 Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) 46,208				*
Travel & Entertainment 44,781 87,066 162,764 Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) 46,208 Provision for Income Taxes of Mgmt company - 46,208				
Miscellaneous Expense 1,535,741 1,543,441 - Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208				
Provision for Income Taxes - 195,577 887,106 Deferred Income Tax (658,149) (658,149) Provision for Income Taxes of Mgmt company - 46,208		•	•	
Deferred Income Tax Provision for Income Taxes of Mgmt company (658,149) 46,208		1,000,741		887.106
Provision for Income Taxes of Mgmt company - 46,208	9	(658 149)		
1.101.000.1101.1100.1110.110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.1110.11		(555,7,5)	(,·· - /	46,208
	Total	\$3,031,715	\$5,092,102	\$9,920,462

CASH FLOW

	1	2
	Current Year	Prior Year_Ended
Cash from Operations	To Date	December 31
	The state of a second as the contract of the state of the	
Premiums collected net of reinsurance	921,158	
2. Net investment income		336,036
3. Miscellaneous income		464,908 800,944
4: Total (Lines 1 to 3)		
 Benefit and loss related payments Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts 		
Net Balisters to Separate Accounts, Segregated Accounts and Protected Cell Accounts Commissions, expenses paid and aggregate write-ins for deductions	521,833	(557,227)
Dividends paid to policyholders Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		369,275
10. Total (Lines 5 through 9)	521,833	(187,952)
1. Net cash from operations (Line 4 minus Line 10)		988,896
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		*n 800
12.1 Bonds		45,309
12.2 Stocks		,.,
12.3 Mortgage loans		,,,,,
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1	
12.7 Miscellaneous proceeds		45,309
12.8 Total investment proceeds (Lines 12.1 to 12.7)		40,000
Cost of investments acquired (long-term only):		310.000
13.1 Bonds		
13.2 Stocks	1	,
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		40,206
13.6 Miscellaneous applications	1 1	350,206
13.7 Total investments acquired (Lines 13.1 to 13.6)	20 647	J00,200
14. Net increase (or decrease) in contract loans and premium notes		(304,897)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(25,047)	(004,001
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		, , . ,
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	2,090,489	(243,103
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	2,090,489	(243,103
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	2,744,332	440,896
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,822,987	1,382,091
19.2 End of period (Line 18 plus Line 19.1)	4,567,319	1,822,987
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
00.0004		
20.0001. 20.0002.		

Statement as of June 30, 2007 of the UAHC Health Plan of Tennessee Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

		Commensive (Hospital & Medical)	Ospital & Medical)	4	ιΩ	(O		Φ\$	ວ ກ	2
		1) promording	(management)							
	,,	2	~>	Medicare	Vision	Dental	Federal Employees	Title XVIII	Title XIX	č
	Total	Individual	Group	Supplement	Only	Only	Health Benefit Plan	Medicare	Medicaid	Cruer
Total Members at end of:										
1. Prior Year	110,534	-							110,534	
2. First Quarter	318,204						,	466	317,738	
3. Second Quarter	325,376	-					A	854	324,522	
4. Third Quarter										
5. Current Year				-						
6. Current Year Member Months	643,580	, and the second						1,320	642,260	meri-shape transmission and the state of the
Total Member Ambulatory Encounters										·
for Period:		44.44 AV A						•		
7. Physician	122,231	-						238	121,993	
8. Non-Physician	20,222							52	20,170	
	142,453					-		290	142,163	
	27,623								27,623	***************************************
11. Number of Inpatient Admissions	2,287								2,287	THE PARTY OF THE P
12. Health Premiums Written (a)	921,158		·		THE PROPERTY OF THE PROPERTY O			921,158		THE PARTY OF THE P
13. Life Premiums Direct										
14. Property/Casualty Premiums Written		-								
15. Health Premiums Earned							; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ; ;			
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision	100 A DO 100 A DO 100 A DO 100 A	-								
of Health Care Services										
18. Amount Incurred for Provision of			÷							
Health Care Services	851,456		A DESCRIPTION OF THE PROPERTY	Account to the second s				851,456		

(a) For health premiums written; amount of Medicare Title XVIII exempt from state taxes or fees \$

Statement as of June 30, 2007 of the UAHC Health Plan of Tennessee Inc

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported) Aging Analysis of Unpaid Claims

Statement as of June 30, 2007 of the UAHC Health Plan of Tennessee Inc

UNDERWRITING AND INVESTMENT EXHIBIT ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

				711	5	9
	3 (S)	Claims	Listonity End of Current Ousrter	ility 1 of Ou arter	And Andreas and Andreas	
	Palu Te	רמום ושמו וט טמופ				Estimated Claim
	-	2		₹		Reserve and
	ő	Б	ర్	5		Claim
Line	Claims Incurred	Claims Incurred	Claims Unpaid	Claims Incurred	Claims Incurred	Liability
of Business	Prior to January 1 of Current Year	During the Year	Dec. 31 of Prior Year	During the Year	in Prior Years (Columns 1 + 3)	Dec. 31 of Prior Year
		The state of the s	AND THE REAL PROPERTY OF THE PERSON OF THE P			
1. Comprehensive (hospital and medical)						
:						
2. Medicare Supplement						
3. Dentai oniy						
4. VISIOII OIII)						***************************************
5. Federal Employees Health Benefits Plan						
6. Titte XVIII - Medicare		411,940		464,567		
7. Title XIX - Medicaid						
8. Other health			-			
(to 8)				464,567		
d I				-		
11. Other non-health						
12. Medical incentive pools and bonus amounts						
Totals Sign	-	411,940		464,567		
-						

(a) Excludes \$ ______0 Loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of UAHC Health Plan of Tennessee, Inc. are presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance.

The Tennessee Department of Commerce and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance Law. The National Association of Insurance Commissions' (the NAIC) Accounting Practices and Procedures manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Tennessee.

There are no reconciling items between the Company's net income and capital and surplus between NAIC SAP practices prescribed and permitted by the state of Tennessee.

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

None

6. Joint Ventures, Partnerships and limited Liability Companies

None

7. Investment Income

None

8. Derivative Instruments

None

9. Income Tax

None

10. Information Concerning Parent, Subsidiaries and Affiliates

None

11. Debt

None

12. Retirement Plans, Deferred Compensation, Post employment benefits and Compensated Absences and other Postretirement Benefit Plans

None

NOTES TO FINANCIAL STATEMENTS

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi Reorganizations.

None

14. Contingencies

None

15. Leases

No Change

16. Off Balance Sheet Risk

None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments Of Liabilities.

C. Wash Sales

None

18. Gain or loss to the company from Uninsured A&H Plans and Uninsured Portion of Of Partially Insured Plans

None

19. Direct Premium Written/Produced by managing general agents/third party Administrators.

None

20. Other Items

None

21. Events Subsequent

None

22. Reinsurance

Under an Agreement with an insurer for the Company's Medicare product, 90% of inpatient medical claim cost in excess of \$100,000 up to \$1,000,000 per enrollee for the plan year as defined, are paid by the insurer. Furthermore, our agreement with an insurer includes outpatient coverage that is limited to \$1,500 per day. During the first quarter of 2007, the Company had no medical claim cost paid under the stop-loss agreement. The Company paid premiums to the insurer totaling \$12,500 for the first quarter 2007.

23. Retrospectively Rated Contracts

None

24. Organization and Operations

None

NOTES TO FINANCIAL STATEMENTS

25. Salvage and Subrogation

None

- 26. Change in Incurred claims and Claim adjustment Expense None
- 27. Minimum Net Worth

No Change

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

	Did the reporting entity experience any material transaction with the State of Domicile, as required by the Model Act? If yes, has the report been filed with the domiciliary state?	s requiring the filing of Disclosure	of Material Tra	nsactions	4	r	Yes [Yes [] No[X]] No[]
	Has any change been made during the year of this statement of the reporting entity? If yes, date of change:	ent in the charter, by-laws, articles	of incorporation	n, or deed o	of settlemer	at .	Yes [) No[X]
3.	Have there been any substantial changes in the organization of the schedule Y - Part 1 - organizational changes in the organization of the schedule Y - Part 1 - organization of the schedule Y - Orga	onal chart since the prior quarter o art.	end?				Yes [] No[X]
4.1 4.2	Has the reporting entity been a party to a merger or consoling yes, provide the name of entity, NAIC Company Code, are for any entity that has ceased to exist as a result of the mer	dation during the period covered at the data of domicile (use two lette	by this stateme r state abbrevia	ent? ition)			Yes [] No[X]
	1	2	3			•		}
	Name of Entity	NAIC Company Code	State of I	Domicile	_			
				····		•		
			:		_			
_								
5.	If the reporting entity is subject to a management agreement attorney-in-fact, or similar agreement, have there been any principals involved? If yes, attach an explanation.	nt, including third-party administra significant changes regarding the	ator(s), managii e terms of the a	ng general a greement o	igent(s), r		Yes [] No[X] N//
6.1	State as of what date the latest financial examination of the	reporting entity was made or is l	reinn made					04/30/2005
6.2	State the as of date that the latest financial examination rep This date should be the date of the examined balance shed State as of what date the latest financial examination repor	port became available from either et and not the date the report was	the state of do completed or	released.		entity.		12/31/2004
	domicile or the reporting entity. This is the release date or of (balance sheet date). By what department or departments?	completion date of the examination	on report and no	ot the date o	f the exam			05/31/2006
		censes or registrations (Including he reporting period?	corporate regis	stration, if ap	oplicable)		Yes [] No[X]
8.1 8.2	Is the company a subsidiary of a bank holding company re if response to 8.1 is yes, please identify the name of the ba	gulated by the Federal Reserve E					Yes [] No[X-]
8.3 8.4	Is the company affiliated with one or more banks, thrifts or if response to 8.3 is yes, please provide below the names by a federal regulatory services agency [i.e. the Federal Re Office of Thrift Supervision (OTS), the Federal Deposit Instand identify the affiliate's primary federal regulator.	and location (city and state of the eserve Board (FRB), the Office of	the Comptrolle	r of the Cur	rency (OCC	C), the	Yes [] No[X]
[1 .	2	3	4	5	6	7	·
	Affiliate Name	Location (City, State)	FRB	occ	OTS	FDIC	SEC	
and the second						1010	GLO	
			-					
		1						
				<u> </u>				
-								

GENERAL INTERROGATORIES (Continued)

9.11	performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity; (c) Compliance with applicable governmental laws, rules, and regulations; (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and (e) Accountability for adherence to the code. If the response to 9.1 is No, please explain:	
9.2 9.21	Has the code of ethics for senior managers been amended? If the response to 9.2 is Yes, provide infromation related to amendment(s).	Yes[] No[X]
	Have any provisions of the code of ethics been waived for any of the specified officers? If the response to 9.3 is Yes, provide the nature of any waiver(s).	Yes[] No[X]
	FINANCIAL Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? If yes, indicate any amounts receivable from parent included in the Page 2 amount:	Yes[] No[X] \$
	INVESTMENT Has there been any change in the reporting entity's own preferred or common stock? If yes, explain NO	Yes[] No[X]
	Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) If yes, give full and complete information relating thereto:	Yes[] No[X]
14. 15.1	Amount of real estate and mortgages held in other invested assets in Schedule BA: Amount of real estate and mortgages held in short-term investments: Does the reporting entity have any investments in parent, subsidiaries and affiliates? If yes, please complete the following:	\$\$ Yes[] No[X]
	1 2 Current Quarter Adjusted Carrying Value 15.21 Bonds \$ Book/Adjusted Carrying Value 15.22 Preferred Stock \$ \$ \$ 15.23 Common Stock \$ \$ \$ 15.24 Short-Term Investments \$ \$ \$ 15.25 Mortgage Loans on Real Estate \$ \$ 15.26 All Other \$ \$ 15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26) \$ \$ 15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above \$ \$ \$	
	Has the reporting entity entered into any hedging transactions reported on Schedule DB? If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.	Yes[] No[X] Yes[] No[X]

	h the requirements of the NAIC	C Financial Condition Examiners I	Handbook, complete the following:	
Name of Custod	ian(s)		2 Custodian Address	
NSOUTH		NASHVILLE, TN		
7.2 For all agreements that do not comprovide the name, location and a c		ne NAIC Financial Condition Exar	niners Handbook,	
1		2	3	
Name(s)	LO	cation(s)	Complete Explanation(s)	
17.3 Have there been any changes, inc17.4 If yes, give full and complete information		ustodian(s) identified in 17.1 duri	ng the current quarter?	Yes[] No[
1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason	
Old Obstiguent	TTOTT OGGOGGIAN	- Date of Change	110000	
***************************************			The state of the s	
17.5 Identify all investment advisors, br	oker/dealers or individuals acti	ing on hehalf of broker/dealers th	at have access	
to the investment accounts, handle				
1		2 Name(s)	3 Address	
'				
Central Registration Depository				
•	VIOLET VI	1	* 1 married 1 ma	
,				
•				

Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? If no, list exceptions:	Yes []	No [X]

SCHEDULE A - VERIFICATION Real Estate

		1	2
			Prior Year Ended
		Year To Date	December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Increase (decrease) by adjustment		
3.	Cost of acquired		
4.	Cost of additions to and permanent improvements		.,
5.	Total profit (loss) on sales		
6.	Increase (decrease) by foreign exchange adjustment		
7.	Amount received on sales		
8.	Book/adjusted carrying value at end of current period		
9.	Total valuation allowance		
10.	Subtotal (Lines 8 plus 9)		
11.	* * * * * * * * * * * * * * * * * * * *		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

SCHEDULE B - VERIFICATION Mortgage Loans

		1	2
		:	Prior Year Ended
		Year To Date	December 31
1,	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year		
2.	Amount loaned during period:		
	2.1 Actual cost at time of acquisitions		
	2.2 Additional investment made after acquisitions	********************	
3.	Accrual of discount and mortgage interest points and commitment fees		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		,,
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		1

SCHEDULE BA - VERIFICATION

Other Invested Assets

			1
		1	2 Prior Year Ended
		Year To Date	December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	3,025,336	2,605,000
2.	Cost of acquisitions during period:		
	2.1 Actual cost at time of acquisitions		411,633
	2.2 Additional investment made after acquisitions		,,,.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
3.	Accrual of discount		
4.	Increase (decrease) by adjustment	(2,525,336)	8,703
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period	500 000	3,025,336
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)	500,000	3,025,336
12.	Total nonadmitted amounts		
13.	Statement value of long term invested assets at end of current period (Page 2, Line 7, Column 3)	500,000	3,025,336

SCHEDULE D - VERIFICATION Bonds and Stocks

		1	2
			Prior Year Ended
		Year To Date	December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	7,445,153	7,140,257
2.	Cost of bonds and stocks acquired		265,000
3.	Accrual of discount		
4.	Increase (decrease) by adjustment	2,041,280	(5,413)
5.	Increase (decrease) by foreign exchange adjustment		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
6.	Total profit (loss) on disposal	1	
7.	Consideration for bonds and stocks disposed of		(45,309)
8.	Amortization of premium		
9.	Book/adjusted carrying value, current period	9,486,433	7,445,153
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)	9,486,433	7,445,153
12.	Total nonadmitted amounts		
13.	Statement value	9,486,433	7,445,153

Statement as of June 30, 2007 of the UAHC Health Plan of Tennessee

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

Book / Adjusted Carrying Value Acquisitions	Acquisitions Dispositions During Current Quarter Quarter	Non-Trading Activity During Current Quarter 2,011,289	Book / Adjusted Carrying Value End of First Quarter 7,475,144	Book / Adjusted Carrying Value End of Second Quarter 9,486,433	Book / Adjusted Carrying Value End of Third Quarter	Book / Adjusted Carrying Value December 31 Prior Year 7,445,153
Carrying Value Beginning of Current Quarter 7,475,144		Non-Trading Activity During Current Quarter 2,011,289	Carrying Value End of First Quarter 7,475,144	Carrying Value End of Second Quarter 9,486,433		Carrying Value December 31 Prior Year 7,445,155
Beginning of Current Quarter 7,475,144 7,475,144		Activity During Current Quarter 2,011,289	End of First Quarter 7,475,144	End of Second Quarter 9,486,433		December 31 Prior Year 7,445,155
of Current Quarter 7,475,144		Current Quarter 2,011,289	First Quarter 7,475,144	Second Quarter 9,486,433		Prior Year 7,445,153
		2,011,289	7,475,144	9,486,433		7,445,150
		2,011,289	7,475,144	9,486,433		7,445,155
		-		**************************		
PREFERRED STOCK 8. Class 1	***************************************	2,011,289	7,475,144	9,486,433		7,445,153
8. Class 1		-				
9. Class 2						
10. Class 3						
11. Class 4						
12. Class 5						
13. Class 6			The second secon			
14. Total Preferred Stock			на при			
15. Total Bonds & Preferred Stock 7,475,144		2,011,289	7,475,144	9,486,433		7,445,153

NONE Schedule DA - Parts 1 and 2

NONE Schedule DB - Part F - Section 1

NONE Schedule DB - Part F - Section 2

Statement as of June 30, 2007 of the UAHC Health Plan of Tennessee Inc

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

, l	2	3	4	S.	6 Type of	7 Is insurer
Company	Federal ID Number	Effective Date	Name of Reinsurer	Location	Reinsurance Ceded	Authorized? (Yes or No)
Life and Annuty - Affiliates	1 1 1 1 1 1					
Life and Annuity - Non-Affiliates	4ffiliates.					
Accident and Health - Affiliates	filiates					
Accident and Health - Non-Affiliates	on-Affiliates					
22711	35-1817054	01/01/2007	HCC LIFE INSURANCE COMPANY	MINNESOTA	38[/L	X. W.
		The second secon				

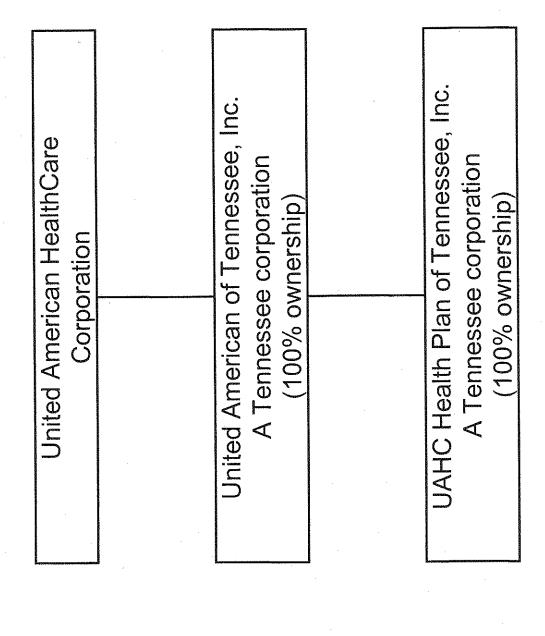
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

					1	Direct Business (Only Year To Date			
	State, Etc.	1 Is Insurer Licensed (Yes or No)	2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1.	Alabama	L NO								
2.	Alaska A	K NO								
3.	Arizona A									
4. 5.	Arkansas A California C									
6.		A NO O NO								
7.	Connecticut C								1	
8.	Delaware C	E NO		.,						
9.	Dist. Columbia D									****
10.	Florida F									
11. 12.	Georgia G Hawaii F									
13.	Idaho il									
14.	Illinois II	. NO		,						
15.	Indiana II	I NO			.,,,		.,			
16.	lowa	NO NO	,							
17. 18.	Kansas k Kentucky k	S NO Y NO								
10.	Louisiana L									
20.	Maine N	E NO								
21.	Maryland N	ID NO								
22.		A NO							1	
23.		II NO								
24. 25.		IN NO								
26.		IO NO								
27.		IT NO								
28.		E NO								
29.		NO NO								
30.		H NO								
31. 32.		J NO M NO								
33.		Y NO								
34.	North Carolina	C NO								
35.		D NO								
36.		H NO								
37. 38.		K NO R NO								
39.		A NO								
40.		I NO								
41.	South Carolina S	C NO								
42.		D NO							0011	
43. 44.		N YES		921,158		*****			921,158	
44. 45.		X NO T NO							1	
46.	Vermont \	T NO				1				
47.	Virginia \	A NO								
48.	Washington V	/A NO					1			
49.		/V NO					 			
50. 51.		VI NO VY NO					1			
51. 52.		S NO								
53.		U NO								
54.	Puerto Rico F	R NO								
55.		I NO								
56. 57.		IP NO N NO					ļ			
57. 58.		T XXX								
59.	Subtotal	XXX		921,158					921,158	
60.	Reporting entity contributions			1					1	
	for Employee Benefit Plans	XXX								
64	Total (Direct Business)	(a) 1	1	921,158		1	1	t	921,158	1

DETAILS OF WRITE-INS					
5801.					
5802.			 	 	
5803,				 	
5898. Summary of remaining write-ins for Line 58 from overflow page				-	
5899. Totals (Lines 5801 through 5803 plus 5898)					
(Line 58 above)	*				

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



BAR CODE:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

		RESPONSE
1.	. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	YES
EXPL	LANATION:	

NONE Schedule A - Part 2 and 3

NONE Schedule B - Part 1 and 2

NONE Schedule BA - Part 1 and 2

Schedule D - Part 3 NONE

Schedule D - Part 4 NONE

Schedule DB - Part A and B - Section 1 NONE

NONE Schedule DB - Part C and D - Section 1

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4 Amount of Interest	5 Amount of Interest		Balance at End of During Current Qu		9
. Depository	Code	Rate of Interest	Received During Current Quarter	Accrued at Current Statement Date	6 First Month	7 Second Month	8 Third Month	*
Open Depositories AMSOUTH BANK HMO OPERATING MEMPHIS, TN AMSOUTH BANK ASO OPERATING MEMPHIS, TN AMSOUTH BANK MEDICARE OPERATINGMEMPHIS, TN		4.860 4.860 4.860			2,884,335 126,499 312,217	3,040,268 150,258 363,312	4,019,792 121,654 425,873	
0199998 Deposits in (0) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX,	XXX						XXX.
0199999 Total Open Depositories Suspended Depositories	XXX	XXX			3,323,051	3,553,838	4 ,567,319	
0299998 Deposits in (0) depositories that do not exceed the allowable limit in any one depository (see instructions) - Suspended Depositories 0299999 Total Suspended Depositories	XXX	XXX	-,,					XXX
0399999 Total Cash on Deposit	XXX	XXX			3,323,051	3,553,838	4,567,319	XXX
049999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total	XXX	XXX			3,323,05	1 3,553,838	4,567,31	9 XXX

E 0 8

Statement as of June 30, 2007 of the	UAHC Health Plan of Tennessee	Inc

NONE Schedule E - Part 2

Statement as of June 30, 2007 of UAHC Health Plan of Tennessee, Inc.

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1	2	· · ·	4	5	9	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
0499999 Premiums due and unpaid from Medicaid entities	1,093,637.58			A CANADA CONTRACTOR OF THE CANADA CONTRACTOR O		1,093,637.58
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Statement as of June 30, 2007 of UAHC Health Plan of Tennessee, Inc

EXHIBIT 3 - HEALTH CARE RECEIVABLES

	2	3	4	5	9	<u> </u>
Nome of Dobbox	20 Dave	31 - AO Dave	R1 - 90 Dave	Over 90 Days	Nonadmitted	Admitted
Maile of Debox	2000	200	200	320,249,29	320,249	- Commission Control of Control o
PARTNERS RX	8.810					8,810
		***************************************	***************************************	***************************************		
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0499999 Receivables not individually listed	The state of the s					etetion more participation
STATE OF TENNESSEE				360,956	360,956	
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0599999 Health care receivables	8.810		A SI LINGUIS ANN AND ANN AND ANN AND AN AND AND AND	681,205	681,205	8,810
	**************************************		Language de la companyone de la companyo	White the state of		

Statement as of June 30, 2007 of UAHC Health Plan of Tennessee, Inc.

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

-	2	ო	4	ω	യ		Admitted
Name of Affiliate	1 - 30 Davs	31 - 60 Davs	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
United American of Tennessee, Inc.	The second secon					***************************************	
				***************************************	,		
AND CONTRACT TO THE PROPERTY OF THE PROPERTY O		**************************************			***************************************		

		NONE PAGE		14 (1 () () () () () () () () ()			

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0199999 Individually listed receivables	is a second seco	The state of the s			## ## ## ## ## ## ## ## ## ## ## ## ##		1
The state of the s	MINONANCIERI MANAGEMENTA PARTICIPA MANAGEMENTA PARTICIPA		Warning .				
0299999 Receivables not individually listed		100000000000000000000000000000000000000	i i i i i i i i i i i i i i i i i i i	- Constitution of the Cons		- Charles - Char	
	- Language Laboration Processing	The state of the s	a and purposes of the second s				
0399999 Total gross amounts receivable	The state of the s	Land to the state of the state	LINEARANTATA	# # I I I I I I I I I I I I I I I I I I			



MEDICARE PART D COVERAGE SUPPLEMENT

For the Quarter Ended June 30, 2007

NAIC Group Code 0000

NAIC Company Code 00000

	Individual C	overage	Group C	Coverage	5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
Premiums Collected	195,249	XXX		XXX	195,249
2. Earned Premiums	and the second s	XXX		xxx	XXX
3. Claims Paid	208,357	XXX		xxx	208,357
4. Claims Incurred		XXX		XXX	XXX
Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	xxx	.,,,.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	XXX		
6. Aggregate Policy Reserves - Change		XXX		xxx	XXX
7. Expenses Paid	1	XXX		xxx	
8. Expenses Incurred		XXX		XXX	XXX
9. Underwriting Gain or Loss	1	XXX		XXX	XXX
10. Cash Flow Results	XXX	XXX	XXX	XXX	(13,108

⁽a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ 0 due from CMS or \$ 0 due to CMS

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Keporting Wonth						Incorred Monti	Mont				-					Incurred Monti	Mont			•
June, 2007	-	1	, x	1	MA.	Inna	India	Te l	Santamher	October	November	December	Total	January	February	March	April	May	June	
Enrollmen	January 123,791	121,549	March 120,701	120,049	119,114	118,256	120,321	117,037	116,673	115,843	114,767	113,281	1,421,382	112,509	111,657	110,450	109,869	108,824	107,755	
Payments for Medical Services for the Month						ŕ										_				
UB 92 Payments by the Claims Processing Systen	11,464,837 11,294,236 11,356,971 10,384,724	11,294,236 1	11,356,971	10,384,724 11,706,683		10,536,234 11,084,727		6 707 868),606 11,264,086 868 5,633,621	5.926.889	10,780,236 5,418,736	5,109,427	10,780,236 10,477,028 133,878,936 12,210,474 10,628,671 10,507,873 5,418,736 5,109,427 67,067,655 5,731,318 5,260,373 5,512,834	12,210,474	5,260,373		4,983,917 3,870,427	3,870,427	233,077 25,591,946	31,222,303 25,591,946
Dental Payments by the Claims Processing System	_	,		1		, ,											•••			
Capitation Payments	519,675	516,348	515,647	512,626	516,659	510,958	526,559	504,119	520,762	522,014	508,681	486,721	6,160,768	494,267	478,875	465,612	485,384	465,095	473,122	2 862 354
Pharmacy Payment	50.507	0013	10 663	18 426	18 228	18 798	18 074	18.074	17.841	18.325	17.578	17.578	219,316	17,578	0_	16,990	34,654	16,741	16,618	102,581
Reinsurance Paymen			- Committee					,		>	9	3	3		605	200	4 403	271	>	
Other Payments/Adjustments to Medical Costs	5,921	6,932	9,401	266	8,766	2,564	595	12,989	1,440	86		0/4	201,00	1,000	Geo	.,,0	1,1/5	·		
BHO Capitation Revenue															,					
Pharmacy Rebates						-						•••								
Recoveries not Claims Payment						1771177		757 676 01	777756	10276 201	16 775 484	16 091 628	25. 11. 12. 22. 14. 22. 24. 14. 22. 14. 22. 14. 14. 14. 14. 14. 14. 14. 14. 14. 14	18 454 644	16 368 603	16 503 907	15.384.220	1.787.556	1.287.610	79.786.538
Total Payments for the month	17,716,887 11	7,314,265 11	17,831,003 116,037,999 11/,9//,29/ 116,314,/00	6,037,999	1.911,291	10,314,/00	17,190,140	0.00,202,01	01,000	1000 7001	167,000	000 000	763 000	400,000	585,000	1 104 000	2 320 000	5 876 000 1		ا ب
Remaining IBNR for the monti	1,000	2,000	5,000	8,000	16,000	-	36,000	5/,000	000.18	10,000	100,000	220,000	702,000	1000,000	16 023 603	17,607,007	17 712 700	7 663 556 1	8 214 610	5 !!
Payments and Remaining IBNR for the month		7,316,265 1	17,316,265 17,836,003 16,045,999 17,993,297 16,337,766	6,045,999 1	7,993,297		17,226,140 18,419,656	18,419,656	17,518,756 118,505,894	18,505,894	16,892,484	16,330,028	146.43	167.58	151.66	160.23	161.22	162.31	16.882.484 16.590.628 208.138.// 18.894.644 16.933,603 17.097.907 17.135.226 17.005.250 162.450 17.07.7350	18
Per Member Expense	143.13	142.46	147.//	133.00	90.101	120.10	140.1/	10.70	150.15	100.00	1777.17	150.40				159.84			164.17	- 1
Per Member Month Exp. For Quarte:			144,44		,	140.93			1.00.1			125.01				14444			140 05	
Per Member Month Exp. For Quarter in 200			149.86			147.28			141.57			132.91				140.04			140.72	
Per Member Month Exp. For Quarter in 2000		1	134.31			135,14			140.30			135.41				149.00			14/.20	
Percent Change from 2003 to 2004			0.12			0.09			0.01			0.00				(0.04)		-	(0.04)	
Medical Services Budget for 2005 Quarter			167.20			160.51			142.86			136.42	•			139.21			134,89	
			77 77			19.56			(7.31)			(13.99)				(20.63)			(29.28)	

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UAHC Health Plan of TN													***************************************	antonna de mandre e constructivo					4							***************************************
Reporting Month			2005					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	2006			1	For the Year			2006	***************************************					2007				For the Year
June, 2007		Inca	ncurred Monti					lnc	neurred Monti				Ending			Incurred Mo	8					Incurred Monti	Monti			Ending
	July	August	September	October)	November L	December	January F	February	March	April	May	Junc	6:30/2006	July	August	September C	clober	November December	December	January	February	March	April	May	June	6/30/2007
Enrollment	133,841	132,021	129,020	129,285	124,883	124,897	123,791	121,549	120,701	120,049	119,114	118,256	1,497,407	120,321	117,037	116,673	115,843	114,767	113,281	112,509	111,657	110,450	109,869	108,824	107,755	1,358,986
TennCare Medical Fund Target	13,104,791 12	12,763,304	12.252.385 12.202.876 11,769.251 11.770.220 11.639.326 11.498.329	2 202,876 11	1,769,251	.770,220	.639.326 11.	498,329	11,433,010	11,371,342	11.293,960	11.206,764	142.305,557 11,390,208	+	11,084,624	T1.042,667 10,945,939 10,841,910 10,686,040	0,945,939	0.841,910	0,686,040	10,598,967 10,516,791	10,516,791	10,398,967	10.338,082	10,235,009	10,120,721	128,199,925
Payments for Medical Services for the Month																										
(JB 92 Payments by the Claims Processing System	10,833,105 12	12,368,023	11,631,971 11,545,985 11,177,595 10,560,467 11,464,837 11,294,236	1,545,985	1,177,595 10),560,467 11	,464,837 11	,294,236	11,356,971	10,384,724	11,706,683	10,536,234	134,860,829	11,084,727	11,619,606	11,264,086	1,909,569	11,909,569 10,780,236 10,477,028	0,477,028	12,210,474 10,628,671	10,628,671	10,507,873	9,875,772	7,434,921	564,793	118,357,757
HCFA1500 Payments by the Claims Processing System	5,706,710 6	6,520,924	5,899,348	5,767,908	5,697,314 5,516,682 5,706,948 5,477,937	5,516,682	706,948 5	477,937	5,930,422	5,121,948	5,726,961	5,246,712	68,319,815	5,560.185	6,207,868		5,926,889	5,926,889 5,418,736 5,109,427	5,109,427	5,731,318 5,260,373	5,260,373	5,512,834	4,983,917	3,870,427		59,448,672
Dental Payments by the Claims Processing System													0								****					0
Capitation Payments	619,519	613,955	607 749	413,109	231,596	524,200	519,675	516,348	515,647	512,626	516,659	510,958	6,102,041	526,559	504,119	520,761.88	522,014	508,681	486,721	494,267	478,875	465,612	485,384	465,095	473,122	5,931,210
Pharmacy Payments	3								273 01		0 000	10 100	970 177	10/01	10.03	47 044 07	10.316	14 64	i i		-	1	72.72			0
Subconnector Fayment	0	0000,32	010,61	17,507	1.7,40.0	3.7(1.4.4	5,50	10,014	10,000	i o'i ro	I Comment	20,22,0	0		The state of the s		i divided			2.71-12		20,770	1.000	10,571	0.00001	750,017
Other Payments/Adjustments to Medical Costs	27,395	14,750	25 114	20,482	3,123	2,444	5,921	6,932	9,401	266	8,766	2.564	127,155	595	12,989	1,446.00	98	253	874	1,006	685	598	4,493	371	0	23,407
Less;													٥		**********									····		>
BHO Capitation Revenue Pharmacy Rebates								Į					0												and the second s	0
Recoveries not Reflected in Payments by the Claims System		***************************************		-									0													0
Total Payments for the month	17,207,613 19	19,538,658	18,184,058 17,766,993 17,129,033 16,623,105 17,716,887 17,314,265	7,766,993 17	7,129,033 16	6,623,105 17	7,716,887 17	,314,265	17,831,003	16,037,999	17,977,297	16,314,766	209,641.677	17,190,140	18,362.656	17,437,756	8,376,894	18,376,894 16,725,484 16,091,628	6,091,628	18,454,644 16,368.603	16,368.603	16,503,907	15,384,220	11,787,556	1,287,610	183,971,097
Remaining IBNR for the month	0	0	0	0	0	1,000	1,000	2,000	5,000	8,000	16,000 [23,000	23,000 : :56,000	36,000	57.000	81,000	127,000	167,000	239,000	400,000	565.000	I 194 000	2,329,000	5,876,000	16,927,000	27,998,000
Payments and Remaining IBNR for the month	17,207,613 15	19,538,658	18,184,058 1	18,184,058 [17,766,993 [17,129,033 [16,624,105]17,717,887 [17,316,265	7,129,033 16	6,624,105	7,717,887 17	316,265	17,836,003	16.045,999	17,993,297	16,337,766	209,697,677	17,226,140	18,419.656	17,518,756	8,503,894	18,503,894 16,892.484 16,330,628	6,330,628	18,854,644 16,933.603	16,933.603	17,697,907	17,713,220	17,663,556	18,214,610	211,969,097
Medical Fund / Total Payments	131.3%	153.1%	148.4%	145.6%	145.5%	141.2%	152.2%	150.6%	156.0%)41.1%	159.3%	145.8%	147.4%	151.2%	166.2%	158.6%	169.0%	155.8%	152.8%	177.9%	161.0%	170.2%	171.3%	172.6%	180,0%	165.3%

UAHC Health Plan Inc Reconciliation from MFT to NAIC June, 2007

Medical Expenses Per NAIC: Statement of Revenue and Expenses- Page 2A, Line 24 Add: Reinsurance Ceded from U & I Exhibit, Page 8, Line 15	132,236,213
Total	132,236,213
Total Medical Expenses Paid per 06/30/07 MFT	
January-June, 2007 for Facility	67,288,982
January-June, 2007 for Physician	33,878,339
Other payments	2,972,087
IBNR as of 06/30/07	28,054,000
Total	132,193,408
Unreconciled difference	(42,805) -0.0324%

																								,		
UAHC Health Plan, Inc																							***************************************			
Reporting Montl			2000						2601				For the Year			2001	***************************************					2602		Autorophilitical	7	For the Year
June 2007 (nymts for DOS 06/30/02 & prier		Đ	псинед Молці					our	nounce Month				Ended 6/30		h	curred Month					Inc	uned Month				Ended 6/30 -
	Jujv	August	Semember	October	November	December	January	February	March	April	May	June	6/30/2001	July		September	October	November	December	January	irebruary	March	April	1	Į,	6/30/2002
liment	46,440	48,006	48,686	49,776		\$1,092	50,984	51,061	48,028	53,117	53.117	\$5,504		75,104	76,324	77,410	77,914	78,807	79,739	75,032	105.886	821,543	122,018	326.330 120	20,054	1,130,139
Care Canitation Perment	0.000,000	New 1996 L	199 704 4	325 015 1	7 410 336 7 573 081 7 800 240 7 557 194	7 800 240	7.557 194	7 569 170	7.665.545	7,943,588	8.184,011	8,342,914	91,622,951	11,078,169	10.937,453	11,014,685	10,914,056	11,216,705	11,400,419	10,661,507	14,468,546	17,026,493	17,226,598	16,843,838 : 16,872	878	159,661,348
																		ķ					· ·			
ayments for Medical Services for the Month		:																	-				T			
22 Payments by the Claims Processing System	3,062,990	2,816,337	2,721,351	2,856,959	2,856,959 3,121,884 2,604,113 3,768,701	2,604,113	3,768,701	2,877,694	2,404,305	2,503,010	3,165,761	4,463.875	36,366,979	4,791,258	5,629,220	4,768,100	6,011,407	5,778,282	5,688,716	5,895,840	2,991.137	8,208,847	Ī	8,002,653 9,655	123	79,457,336
A 1500 Payments by the Claims Processing System	1,384,825	1,535,180	1,459,501	1,495,246	1,024,238	264,644	1,605,246	2,316,429	2,658,086	2,729,720	1,689,443	1,728,286	20,890,844	2,002,413	2,599,226	2,483,289	2,848,270	2,721,294	2,621,967	2,925,634	3,187.710	3,973,700	4,355.370	4,458,564 4,2	73,697	38,411,134
al Payments by the Claims Processing System	٠	¢	9	_	٥	æ	¢	c	0	a	C C	0	-0	0	6	0	0	0	0	6.			0	Ü	ä	
idion Payments	459:9(N)	464,935	465,990	473,377	481.853	494.108	370,366	364,813	391,475	392,608	357,423	375,316	5,094,961	405,783	286,006	628,645	606,629	585,309	561,056	560,542	615,894	898,333	862,915	829,361 65	İ	7.546,482
macy Payments	852.411	288.015	1.001.384	793,825	978,307	891.440	1,284,238	924,000	943,092	937,321	1,170,720	903.155	11.467.888	1,408,399	1,264,044	1,318,471	1,838,243	1,510,762	1,624,203	1,967,831	2,077,281	2,552.856	2,495,448	2,969,831 ; 2,38	ļ	23,388,863
ontractor Payments for Medical Services	134.538	58.596	145,956	79,591	224,665		97,028	103,209	145,942	126,985	102.567	134,332	1,582,491	103,687	392.122	201,140	197,917	197,661	199,406	187.580	264.715	303.853	387,143	382,923 68	680,502	3,498.649
surance Payment	17.647	23,523	23,856	24,390	185.75	62,298	27,022	27,062	25,455	18,152	28.152	29,417	343,356	63,599	48,084	48,862	49,086	49,648	38,064	38,514	34,417	67,869	2,43	59,165	\$7,304	619,054
r Payments/Adjustments to Medical Costs	2,183	253,932	252,825	251,573	252,301	102,783	2.306	6,565	1,828	39,344	27,797	8,792	1,262,146	41,905	64,516	59,020	10,081	42.583	96,395	7,361	31,512	61,505	49,500	70,334 45	152,555	976,268
Carrierion Boscons				_					************				0		* * * * * * * * * * * * * * * * * * * *									·		
macy Rehnes												1,452	1,452	55,668	55,668	55,668	63,538	63,538	63,538	82,707	82,707	82,707	102,559	102.559	102.559	913,414
veries not Reflected in Payments by the Claims System							-						-0										-			
otal Payments for the month	5,914,495	6.040.611	6.670.864	973 960	6.109.629 5.548.374	5.548,374	7.154.687	6,619,770	6,570,184	6,757,139	6,541,772	7,641,723	76,943,206	8,761,377	10,227,551	9,451,859	11,478,096	10,822,002	10.766,270	11,500,574	12,168,959	16,044,254	16,456,629	17,329,992 \$8,036,808	Г	152,984,372
sining IBNR for the month	>	ð	()		c	0	۵	0	0	0	0	6	0	0	0	O	0	0	c	0	0	0	IJ	8	0	
ayments and Remaining IBNR for the month	5,914,495	-6,040,633	6,070,864	5,973,960	6,109,629 5,548,374 7,154,687	5,548,374	7,154,687	6,619,770	6,570,184	6,757,139	6.541.772	7,641,72)	76,943,206	8,761,377	10,227,551	9,451,859	11,478,096	10,822,002	16,766,270	11,500,574	12,108,959	16,044,254	16,456,629	37,729,992 18,034	.808	152,984,372
-				- 1																						
heat Loss Ratio	85.8%	83.3%	83.2%	79.4%	80.7%	71.0%	94.7%	87.5%	85.7%	85.1%	79.9%	91.6%	84,9%	79.1%	93.5%	85.8%	[65.2%]	96.5%	94,4%	107.9%	83.7%	94.2%	95.5%	102.9%	106.9%	95.8%

UAHC Health Plan Inc Reconciliation from MLR to NAIC June-07

Medical Expenses Per NAIC:		
Statement of Revenue and Expenses- Page 4, Line 16		-
Add: Reinsurance Ceded from U & I Exhibit, Page 8, Line 15		-
Total		- .
Total Medical Evpopees Paid per 06/20/07 MLD		
Total Medical Expenses Paid per 06/30/07 MLR January-June, 2007		
Lag Timing Adjustment		-
Less: IBNR as of 06/30/07		-
		-

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u i ver		····
Unreconciled difference		_